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SHAWNEE

K A N S A S

Purchasing Manual

# Approval

Approved by:

*Carol Gonzalez*

City Manager

*3-31-16*

Date

**QUICK REFERENCE GUIDE**

**PURCHASING AUTHORITY**

While all purchases are generally initiated by departments, the following table illustrates the final purchasing authority assigned to department directors, the City Manager and the Governing Body.

Expenditure Amount	Final Purchasing Authority
\$1 to \$15,000	Department Director/Deputy City Manager
\$15,001 to \$50,000	City Manager
Over \$50,000	Governing Body

**VENDOR SELECTION AND PAYMENT METHOD**

The tables below provide a quick reference for the vendor selection and purchasing processes applicable at various purchase amounts. Additional information on each vendor selection method can be found in this manual. Grant-funded purchases may have lower thresholds which must be followed.

**Supplies & Services (Excluding Professional Services)**

Dollar Purchase Range	Vendor Selection	Purchase Process
\$1 – \$5,000*	<ul style="list-style-type: none"> <li>• Departmental criteria</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing card</li> <li>• Red Stamp</li> <li>• Check request</li> <li>• Petty cash</li> <li>• Purchase order (optional)</li> </ul>
\$5,001 - \$50,000* *Micro purchases for Federal grants must follow these requirements if over \$3,000	<ul style="list-style-type: none"> <li>• Informal solicitation through competitive quotes – minimum of 3</li> <li>• Cooperative agreements</li> <li>• Blanket purchase orders</li> <li>• Sole source purchases</li> </ul>	<ul style="list-style-type: none"> <li>• Large purchase order with documentation of competitive quotes</li> <li>• Blanket purchase order (if in place with vendor)</li> <li>• Check request</li> <li>• Purchasing card as authorized by the City Manager</li> </ul>
Over \$50,000	<ul style="list-style-type: none"> <li>• Invitation for Bids (IFB)</li> <li>• Cooperative agreements</li> <li>• Blanket purchase orders</li> <li>• Sole source purchases</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase order after competitive bids are received</li> <li>• Blanket purchase order (if in place with vendor)</li> <li>• Check request</li> <li>• Purchasing card as authorized by the City Manager</li> </ul>

Professional Services

Dollar Purchase Range	Vendor Selection	Purchase Process
\$1 - \$5,000	Department selection based on consultant's expertise, previous performance, and readiness to provide the service.	<ul style="list-style-type: none"><li>• Purchasing card</li><li>• Red Stamp</li><li>• Check request</li></ul>
\$5,001 - \$50,000	Department selection based on consultant's expertise, previous performance, and readiness to provide the service.	<ul style="list-style-type: none"><li>• Purchase order</li><li>• Check request</li><li>• Purchasing card as authorized by the City Manager</li></ul>
Over \$50,000	Request for Proposals (RFP)/Request for Qualifications (RFQ)	<ul style="list-style-type: none"><li>• Purchase order after competitive solicitation</li><li>• Check request</li><li>• Purchasing card as authorized by the City Manager</li></ul>

# CITY OF SHAWNEE

## PURCHASING MANUAL

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# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: GENERAL PROVISIONS AND PURCHASING PROCESS

### CHAPTER NUMBER: 1

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#### 1.1 GENERAL PROVISIONS

##### A. Introduction

This Purchasing Manual has been developed in order to establish uniform policies and procedures for the purchase of supplies, services and professional services. It is generally recognized that uniform purchasing procedures offer considerable benefits by maximizing the use of financial resources through sound procurement practices. This manual prescribes the policies and procedures to ensure the effective administration of the purchasing function. It outlines the duties and responsibilities of the participants involved in the purchasing process in order to procure supplies, services and professional services in an efficient and organized manner, and in a manner that upholds the public trust.

##### B. Purchasing Policy and Procedures: Purpose and Objectives

The purpose of this Policy is:

1. To provide for fair and equitable treatment of all vendors involved in the City's purchasing process;
2. To maximize the purchasing value of public funds;
3. To document and standardize the City's purchasing policies and procedures for orderly and efficient administration;
4. To provide safeguards for maintaining a procurement process of quality and integrity; and
5. To foster effective, broad-based competition within the free enterprise system.

##### C. Authority Roles and Responsibilities

1. Governing Body

The ultimate responsibility for all purchases made by the City of Shawnee is held by the Governing Body. Per K.S.A. 12-1011 and K.S.A. 12-1014, Charter Ordinance No. 39, and Policy Statement PS-66, Comprehensive Financial Policy, the Governing Body has authorized the City Manager sole authority to establish and administer procurement policies and procedures for all City purchases.

2. City Manager

The City Manager shall establish, maintain and update policies and procedures for the procurement of all supplies, services and professional services. Such policies and procedures shall be applicable to all City employees. Deviations from the City's purchasing policies and procedures shall be made only at the discretion of the City Manager and will be guided by 1.1 G., Exceptions to City Purchasing Policy, of this policy. In the absence of the City Manager, the Deputy City Manager shall assume the City Manager's purchasing roles and responsibilities.

3. Department Directors

By the authority of the City Manager, department directors and the Deputy City Manager are delegated purchasing authority and responsibility as established in this manual and as set by the annual approved or amended City Budget.

Department directors are responsible for ensuring that all assigned employees are knowledgeable of, and consistently use, the City's purchasing policies and procedures. Department directors may delegate purchasing authority to assigned employees as needed. However, the ultimate responsibility for adherence to purchasing policies and procedures remains with the department director.

Departments are responsible for verifying actual receipt of supplies and services in good condition, and of the specified quantity and quality. This verification should be done as soon as possible so the City can receive any payment discounts offered for prompt payment.

4. Finance Department

Prior to processing payment, the Finance Department shall review all department requested purchases to assure compliance with this manual. If it is determined that a department has deviated from procurement policies and procedures, the Finance Department shall work with the department director to resolve the situation.

5. City Attorney

Department directors shall coordinate with the City Attorney in preparation of bid specifications and requests for proposal. They shall submit all proposed contracts and agreements to the City Attorney for review to help ensure that contracts meet legal requirements. In addition, department directors should work with the City Attorney and selected vendor to negotiate contract provisions that provide the greatest protection for the City.

D. Public Access to Purchasing Information

Purchasing information shall be a public record to the extent provided in City Policy Statement PS-15 and the Open Records Act, K.S.A. 45-201 et seq. and K.S.A. 12-120 et seq. Also as provided in City Policy Statement PS-15, the City may charge a fee for copies of procurement-related documents.

E. General Purchasing Information

1. Departments are responsible for initiating and managing their purchases. The Finance Department is available as a resource to address questions.
2. Typically, the Finance Department pays invoices based on due date. The average payment processing period is two (2) weeks from receipt within the Finance Department to date of issuance.

F. Purchasing Authority

While all purchases are generally initiated by departments, the following table illustrates the final purchasing authority assigned to department directors, the City Manager and the Governing Body.

Expenditure Amount	Final Purchasing Authority
\$1 to \$15,000	Department Director/Deputy City Manager
\$15,001 to \$50,000	City Manager
Over \$50,000	Governing Body

G. Exceptions to City Purchasing Policy

This manual applies to all expenditures of City funds. The purchasing policies and procedures are established under the authority of the City Manager. The City Manager may waive some or all requirements of the purchasing policies and procedures for:

1. Emergencies;
2. Purchases through interlocal or cooperative agreements with other governmental or non-profit entities;
3. Purchases for which other governmental or non-profit entities have gone through a vendor selection process which honors the spirit and intent of the City's purchasing policies and procedures;
4. Procurements involving the expenditure of federal or state funds requiring adherence to mandatory applicable laws or regulations;
5. Compliance with the terms and conditions of any gift or bequest to the City; and
6. Any purchase in which the City Manager determines that a waiver is in the best interest of the City and not in violation of federal, state or local law.

**1.2 PREFERENCE POLICY**

Whenever a vendor meets price and performance requirements, City staff shall make an effort to purchase supplies and services:

1. Located within the City of Shawnee; and
2. That utilize recycled and other environmentally preferable products, particularly products made with post-consumer material

Employees shall not make or participate in making any purchase or contract with a person or business in which the employee has a substantial personal interest, according to KSA 75-4301a(a), or is employed, whether or not disclosure has been made.

**1.3 PURCHASING PROCESS**

- A. Red Stamp

1. Purpose

Red Stamp is a purchasing process that may be used by departments for small purchases for which use of a purchase order may be inefficient or impractical.

2. Applicability

A Red Stamp should only be used when the use of a City Purchasing Card is not possible or practical. Purchases for which a Red Stamp may be used include:

- a) Purchases of \$5,000 or less; and
- b) Recurring obligations which do not lend themselves to the purchase order process.

3. Approval

Red Stamps must be approved for payment in accordance with the final approval authority set forth in this manual under Section 1.1 F, Purchasing Authority.

4. Process

After the material or service has been received by the department and determined complete and suitable, a Red Stamp shall be imprinted on the invoice. The department shall provide all the information required by the Red Stamp and forward the invoice to the Finance Department for payment.

## B. Purchase Order

1. Purpose

A purchase order is a document that states the terms and conditions of a proposed transaction and creates a contractual relationship between a vendor and the City. It describes the quantity and quality of the required supplies or services and includes other information, such as shipping terms, delivery dates and location, and the prices quoted in the bid (if applicable). Purchase orders are created from purchase requisitions submitted to the Finance Department.

## 2. Applicability

- a) Purchase orders are required for purchases of supplies and services with an expected expenditure of more than \$5,000.
- b) Purchase orders may be used for purchases of supplies and services under \$5,000.

## 3. Approval

Purchase orders must be approved for payment in accordance with the final approval authority set forth in this Policy under Section 1.1, F. Purchasing Authority.

## 4. Requisition

- a) The requisition is designed to assist the user departments in initiating the first step in the purchasing process and will ultimately become the purchase order. It shall be used by the department to:
  - (1) Advise the Finance Department of the need to purchase supplies and services costing over \$5,000; and
  - (2) Request authorization to purchase supplies and services.
- b) A requisition shall be initiated with sufficient time to allow adequate time for review and approval prior to making the purchase.
- c) A requisition shall contain at least the following information:
  - (1) Department making the request;
  - (2) Date prepared and date needed;
  - (3) Location for delivery of supplies or service;
  - (4) Purchase description and specifications of supplies or service, amounts required and terms;
  - (5) Sources and amounts of other quotes obtained (attach documentation if necessary);
  - (6) Suggested vendor(s);

- (7) Budget account number(s) and remaining line item balance;
  - (8) Estimated cost; and
  - (9) Authorization.
- d) The requisition is sent or brought to the Finance Department. From the requisition, the Finance Department shall prepare the purchase order which will be delivered to the department.

#### 5. Purchase Order

- a) Creation of the purchase order encumbers the funds in the appropriate budget line item.
- b) A vendor shall be given a purchase order upon placement of an order.
- c) Invoices without purchase order numbers may be returned to the vendor or may cause a delay in payment.

#### 6. Receiving Report

Payment shall not be made until the Finance Department has verified the three-way match of the receiving report, the purchase order, and the invoice. A copy of the invoice should be submitted with the receiving report. The receiving report is authorization to pay the vendor. Each department shall designate the employee(s) authorized to accept delivery and record delivery on the department's receiving log.

#### 7. Partial Shipments

Sometimes only part of an order is received. In this case, a partial receiving form should be completed. When a partial receiving form is forwarded to the Finance Department indicating only a partial shipment has been received, the invoice will be compared with the partial receiving form. If they agree, partial payment will be authorized from this document. The final partial shipment shall be designated by placing "F" for "final" when the purchase order is completed, e.g. "6-F". The receiving copy of the purchase order shall accompany the final partial receiving form.

## 8. Purchase Order Change Order

Whenever a change of any kind on a purchase order is required, the originating department shall forward a purchase order change order to the Finance Department. This form is utilized to change or correct math, typing, shipment, differences, increases, decreases, cancellation and accounts, but not for a vendor change. The change order process is detailed in Chapter 5 of this manual.

### C. Purchasing Card

#### 1. Purpose

The purchasing card (P-card) program is designed to improve efficiency in processing small dollar purchases from any vendor that accepts a VISA® procurement card. Each P-card is issued to a named individual who is responsible for all purchases made with the card. The City of Shawnee is clearly identified on the card. Department directors determine authority limits based on position and the provisions of this manual.

#### 2. Applicability, Approval, and Process

See Appendix A, "Purchasing Card Handbook".

### D. Petty Cash

#### 1. Purpose

The majority of petty cash funds are established to enable departments to make small or emergency purchases where a purchase order is not cost effective or a purchasing card cannot be used. Other uses include the establishment of change funds for departments that collect cash receipts on behalf of the City and require change to appropriately complete the cash transactions. The amount of the petty cash fund is established at the time the fund is approved.

#### 2. Petty Cash Guidelines

- a) Petty cash purchases are limited to \$50 or less.
- b) Adequate receipts and documentation must be maintained to support all transactions made from the petty cash fund.

3. Established Petty Cash Funds

Finance Department
Public Works Department
Fire Department
Shawnee Town
Development Services Department
Police Department
Police Department - Confidential Funds
Civic Centre

Departments wishing to establish a new petty cash fund shall contact the Finance Director.

4. Approval and Process

- a) Complete the petty cash reimbursement request form. Be sure to complete the following fields: pay to, date, prepared by, and department/division. Describe the purchase/expenditure in the description/explanation area and enter the total amount requested for reimbursement. A receipt for the expenditure must be attached to this form. The form must be signed and dated by the requestor and approved by the requestor's supervisor with his/her signature and the date.
- b) The requestor then submits the form to the petty cash fund custodian for reimbursement.
- c) The custodian reviews the petty cash reimbursement request form and the receipt(s) and confirms the total amount requested on the form. The custodian marks the form and the receipt as "PAID," dates and initials the form, then issues the cash payment to the requestor.

5. See Appendix B, City of Shawnee "Handling and Accounting for Cash" Policy, for additional information.

E. Check Request

1. Purpose

A check request is a document that may be used by departments to authorize the Finance Department to issue a check to a vendor when no receipt is available and when use of a City purchasing card is not possible.

## 2. Applicability

Examples of purchases for which a check request may be used include:

- a) Bond & interest payments;
- b) Customer refunds;
- c) Intergovernmental payments;
- d) Judgments;
- e) Postage;
- f) Taxes; and
- g) Dues and subscriptions

## 3. Approval

Check requests must be approved for payment by the Finance Director, and in accordance with the final approval authority set forth in this manual under Section 1.1 F, Purchasing Authority.

## 4. Process

A check request form shall be completed and routed for approval to the appropriate individual(s). Once all necessary approvals have been received, the check request form shall be forwarded to the Finance Department for payment.

### **1.4 EMERGENCY PURCHASES**

#### A. Definition

Bona fide emergency purchases are made when adherence to normal purchasing policies and procedures would threaten:

- (1) The functioning of City government;
- (2) the preservation or protection of property, machinery, or equipment; and/or
- (3) The health or safety of any person.

B. Authority

In case of an emergency as defined above, the City Manager may waive all provisions for competitive purchasing. In such instances, the City Manager may delegate this authority to the appropriate department director. Emergency needs shall be purchased by informal open market procedures as expeditiously and as close to normal commercial prices as circumstances will allow. When an emergency expenditure is over \$50,000, a full report of the circumstances necessitating the emergency action shall be presented to the Governing Body as soon as reasonably possible.

C. Emergency Purchase Procedure

A department director may purchase essential supplies or services by any appropriate means for later reimbursement if necessary. As soon as practical, the department director shall notify the City Manager of the situation. On the next business day, the department shall submit a check request with written justification for the emergency purchase.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: VENDOR SELECTION

## CHAPTER NUMBER: 2

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### 2.1 SUPPLIES AND SERVICES (EXCLUDING PROFESSIONAL SERVICES)

- A. Micro purchases for federal grants (\$3,000 or less or \$2,000 when subject to Davis-Bacon)
  - 1. When possible, distribute purchases equitable among qualified suppliers.
  - 2. No competitive quotes required if department director determines the price is reasonable.
  
- B. Small Purchases (\$5,000 or less, Supplies and Services)
  - 1. Non-repetitive purchases of an aggregate amount of \$5,000 or less shall be considered “small purchases” and shall not require a purchase order.
  - 2. Small purchases may be made by department directors without competition or further approval by the City Manager.
  - 3. Departments may establish competitive criteria for purchases.
  
- C. Informal Solicitations (\$5,001 to \$50,000, or \$3,001 to \$50,000 for federal grants)
  - 1. Unless otherwise authorized within this manual, any purchase of supplies and non-professional services of \$5,001 to \$50,000 shall require a purchase order and shall be made utilizing informal solicitations. Such purchases shall be made in the open market.
  - 2. Departments shall attempt to obtain documented quotes from a minimum of three (3) vendors. Documented quotes may be obtained from catalogues and internet web sites or from bids received from vendors by telephone, fax, or standard or email.
  - 3. Purchases of supplies or non-professional services, if awarded, shall be awarded to the vendor determined to be most advantageous to the City. The names of the vendors submitting quotations, the amount of each quotation and the date, shall be documented on the purchase order and maintained as a public record.

D. Formal Solicitations (Over \$50,000)

1. Authority

- a) Any purchase of supplies or non-professional services obligating the City to an estimated expenditure of over \$50,000 shall be purchased under formal competitive sealed bid procedures and subject to Governing Body approval, including blanket purchase order items over \$50,000. The \$50,000 threshold applies to one-time or cumulative purchases.
- b) The department initiating the solicitation is responsible for record keeping. All submittals, except confidential or proprietary information as defined by law, are public records and must be retained.

2. Competitive Sealed Bid Procedures

- a) An Invitation for Bids (IFB) shall be issued and shall include specifications and all contractual terms and conditions applicable to the procurement, as well as the bid opening date and time.
- b) Specifications shall be made available to all interested parties as stated in IFB. If it is necessary to change the specifications or any other formal data and there is adequate time as determined by the department prior to the date of bid opening, an addendum shall be issued stating the changes. Specification changes must allow adequate notice and shall be issued to every vendor which received a copy of the Invitation for bids. In certain cases, the bid opening may be postponed to allow adequate time for vendors to prepare their bid based on specification changes. If there is not adequate time, the IFB shall be cancelled and a new bid process initiated.
- c) At least one (1) bid invitation notice shall be published in the City's official newspaper at least five (5) days prior to the date for opening sealed bids. The notice shall state the place, date and time of the bid opening. This is intended to provide reasonable public notice of the solicitation.
- d) Bonding and insurance requirements for contracts shall occur at the discretion of the department and the City Attorney in accordance with Chapter 4 of this manual.

- e) Prospective bidders may be interviewed or a pre-bid conference may be arranged to clarify either technical or general specifications.
- f) The opening of sealed bids shall be in a place open to the public. Bids shall be opened at the time and place specified in the IFB. Bids must be received prior to the specified time as established in the Invitation for Bids. If using paper bids rather than an electronic process, bids received after the specified deadline must be returned to the non-responsive vendor unopened.
- g) Bids shall be submitted without alteration or correction except as authorized in this subsection. Bids shall be evaluated based on the requirements set forth in the IFB, which may include criteria to determine acceptability, such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Criteria that affect the price will be considered in evaluation for award and shall be objectively measurable, such as discounts, allowances, transportation costs, and total or life cycle costs.
- h) Corrections.
  - (1) Corrections to or withdrawal of inadvertently erroneous bids before and after a bid opening by the vendor may be permitted in accordance with this subsection. Mistakes discovered before the bid opening by the vendor may be modified or withdrawn by written notice received by the City prior to the time set for the bid opening.
  - (2) After the bid opening, corrections to bids shall be permitted only to the extent allowable in the bid documents and the bidder can show by clear and convincing evidence: that the mistake was of a non-judgmental character; the nature of the mistake; and the bid price actually intended.
  - (3) Except for the foregoing, after the bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the City or fair competition shall be permitted.
  - (4) In lieu of a bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if (i) the mistake is clearly evident on the bid document; or (ii) the bidder submits evidence which clearly and

convincingly demonstrates a mistake was made. All decisions to permit the correction or withdrawal of bids shall be supported by a written determination made by the department director.

- i) After review by the Governing Body, an award shall be made by written notice to the responsive and responsible bidder whose bid best meets the requirements and criteria set forth in the IFB.

### 3. Pre-Qualification of Vendors

- a) When the work is of a highly specialized technical nature, staff may recommend to the Governing Body that a prequalification process be used.
- b) Requests would be made for vendors to submit a statement of qualifications by a date certain which includes the following:
  - Demonstrated ability to perform projects comparable in design, scope and complexity;
  - References of owners for whom projects have been performed;
  - Names and qualifications of primary subcontractors with whom the vendor proposes to subcontract;
  - Financial capability; and
  - Any other relevant information determined by the City Manager.
- c) A selection committee designated by the appropriate department director with input from the City Manager shall review the statement of qualifications, interview the prospective vendors, if necessary, and recommend to the City Manager the vendors qualified to bid for the supplies or services.
- d) Once the qualified vendors are selected, competitive bid procedures would be used as set out in 2.1 C, of this manual.

## 2.2 PROFESSIONAL SERVICES

### A. Departmental Selection (\$50,000 or less)

A department director may select a professional services provider based on the vendor's expertise, previous performance, and readiness to provide the service to the City. In such a case, the department shall evaluate the qualifications of potential vendors. This could be done through an informal or formal Request for Qualifications (RFQ), or other means.

Departmental selection may be used to select a professional services vendor when, in good faith, it is believed that the total contract cost will be \$50,000 or less. If, prior to initiating a contract, it is determined that the cost will exceed \$50,000, a competitive RFP as provided for in Section 2.3 B shall be initiated. If it is determined that the contract will or may exceed \$50,000 over the course of the project or vendor relationship, this fact shall be reported by the department director to the City Manager, who will determine the appropriate selection process. A contract relationship over \$50,000 in total should be approved by the City Council, even if individual components of the contract are \$50,000 or less.

### B. Request for Proposals (Over \$50,000)

Any purchase of professional services obligating the City to an expenditure of over \$50,000 shall be purchased under either a formal competitive sealed proposal or competitive Request for Qualifications (RFQ) procedure. The determination of which procedure to utilize shall be made by the department director in consultation with the City Manager.

#### 1. Competitive Sealed Proposals

A competitive sealed proposal (Request for Proposal or RFP) is a method of vendor selection in which award is made to the responsive and responsible vendor whose offer is considered the best when evaluated against established criteria and all other offers. Cost is not the primary focus of the award, but is a factor taken into consideration. Criteria shall include, but not be limited to: applicable and appropriate qualifications, experience, referenced successes, and cost.

The department initiating the RFP is responsible for record keeping. All submittals, except confidential or proprietary information as defined by law, are public records and must be retained.

- a) An (RFP) including a detailed scope of work, evaluation criteria, insurance and bonding requirements, and the proposal opening date and time shall be sent to relevant vendors, published in the official City Newspaper and posted on the City website. If for any reason it is necessary to change the scope of work or any other aspect of the RFP prior to the date of submittal, an addendum shall be issued stating the changes. Scope of work changes must allow adequate notice. The addendum shall be issued to every vendor which received a copy of the RFP. In certain cases, the proposal opening may be postponed to allow adequate time for respondents to prepare their proposals based on scope of work changes.
- b) Bonding and insurance requirements shall be set at the discretion of the department and the City Attorney in accordance with Chapter 4 of this manual and Policy Statement PS-27.
- c) A selection committee designated by the appropriate department director with input from the City Manager shall review the proposals, interview the prospective vendors, if necessary, and rank the vendors according to the quality and cost of their offers. The determination of ranking shall take into account the following order of importance: the professional competence of vendors, the technical merits of offers, and cost.
- d) Negotiation with the most qualified vendor shall be undertaken to obtain a contract incorporating the scope of services, method of contracting, price and terms and conditions determined to be fair and reasonable to the City. If negotiations with the most qualified vendor are not successful, negotiations with the second most qualified vendor shall then be undertaken, and so on, until a contract is successfully negotiated with a qualified vendor.
- e) A recommendation from the selection committee shall be presented to the Governing Body for consideration. If approved, the Mayor shall be authorized to sign the contract.

### C. Request for Qualifications

1. A Request for Qualification (RFQ) process may be utilized for professional services purchases in excess of \$50,000. Utilization of an RFQ is generally advantageous when the services to be provided are of a highly

Specialized nature, or when the scope of work is difficult to define. The RFQ process is the same as the RFP process outlined in Section 2.2, B. Request for Proposals (Over \$50,000) except that vendors are not required to include a price in their submittals.

2. A RFQ may be used to narrow down the number of vendors before competitive sealed RFP process is used.

### **2.3 SOFTWARE SELECTION**

- A. Software systems with estimated costs over \$50,000 will be selected by a team consisting of the following members at minimum: Business (Departmental) Project Lead, Management Team Sponsor, IT Lead, and Subject Matter Experts as needed. For larger implementations, teams should also include one or more stakeholders from a department(s) other than the lead department. Cross-departmental selection teams help ensure that new projects are integrated with other projects throughout the City, and IT resources are available to support the project.
- B. For each software project over \$50,000, the lead department will work with the IT department to create a written Project Definition that describes the reasons for the project (what problems need to be solved), technical and business requirements, selection team members, and estimated project timeline, estimated cost (system, implementation and training costs, ongoing annual maintenance).

### **2.4 DESIGN-BUILD SERVICES**

- A. Authority

Design-build can be a very effective method of project delivery for construction of public improvements because it offers a single point contact and concentration of responsibility. Design-build may be used for any projects under \$50,000, with approval of the City Manager. For projects over \$50,000, Governing Body approval is required to engage in a selection process for which the design and construction services are furnished under one contract.

- B. Selection

1. Projects Over \$15,000 and Under \$50,000

As determined by the City Manager, a design-build team (vendor) selection can be accomplished through a request for qualifications or a request for proposals. The City Manager shall determine which procedure is most advantageous to the City.

2. Projects over \$50,000
  - a) The City Manager shall prepare a recommended process to the Governing Body which addresses:
    - Procedures for submittal and selection
    - Information required
    - Evaluation criteria
  - b) After conclusion of the process, a recommendation shall be presented to the Governing Body for consideration. If approved, the Mayor shall be authorized to sign the contract.
3. A design professional may be retained pursuant to City selection procedures to develop the plans and specifications for any design-build project. A design professional selected to prepare the plans and specifications is not eligible to render services under the design-build contract. This vendor should be selected based on Chapter 2 of this manual.

## **2.5 SOLE SOURCE VENDOR DESIGNATION**

### **A. Authority**

Exemption from competitive procurement is permitted when a written determination has been made by a department director and approved by the City Manager that there is only one vendor practicably or reasonably available to provide a supply or service, or professional services. Such an exemption is required only for purchases greater than \$5,000. Purchases less than \$5,000 do not require competitive quotes or bids.

### **B. Sole Source Criteria**

1. The following are the criteria used for determining eligibility for sole source procurement:
  - a) The vendor is the original equipment or software provider and required parts, equipment, or software are unavailable from another vendor;
  - b) Incompatibility or non-conformity with City-owned equipment, materials, software, or expertise would require the expenditure of

additional funds;

- c) The vendor provides a unique supply or service and no similar supply or service is available or suitable; and
- d) The vendor has specific, relevant prior experience that will add value to their work and reduce costs for gathering information.

C. Procedures

1. Authority

- a) Sole source purchases greater than \$5,000, and equal to or less than \$50,000, shall be approved by the City Manager.
- b) Sole source purchases greater than \$50,000 shall be approved by the Governing Body as part of awarding the bid and authorizing the mayor to sign the Contract.
- c) The department initiating the purchase shall include written documentation and/or justification that reasonably establish that the proposed vendor is the only practical vendor when submitting the purchase order requisition.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: AGREEMENTS

## CHAPTER NUMBER: 3

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### 3.1 PRICE AGREEMENTS

#### A. Blanket Purchase Orders

##### 1. Purpose

- a) Blanket purchase orders, also known as price agreements or term contracts, are agreements established with vendors to allow individual purchases by the City throughout the year without repeating the competitive bidding process each time a purchase is made. Blanket purchase orders take advantage of volume discounting based on the annual estimated quantities purchased. Blanket purchase orders also reduce paperwork, therefore expediting service and reducing purchasing costs.
- b) Blanket purchase orders do not commit the City to purchase any supply or service from the vendor. They are issued to advise the vendor of the supply and/or service the City may require, establish terms and pricing where applicable, establish dollar limits, either per order or time period, establish personnel authorized to make purchases against these blanket purchase orders and outline the ordering, receiving and invoicing procedure.
- c) Blanket purchase orders may be arranged by departments in cooperation with the Finance Department. It is the responsibility of the department initiating a blanket purchase order to determine the approximate quantity needed and estimated amount that shall be spent during the fiscal year under the proposed blanket purchase order. Prices shall be established, per the policies of this manual. Pricing information shall be made available to ordering departments and to the Finance Department to assure correct payment is made to the participating vendor.

2. Establishment and Term

Blanket purchase orders shall be established in conformance with the vendor selection requirements described in Section 2.4 and Section 3. Blanket purchase orders shall have annual renewals up to a maximum of three (3) years.

3. Instructions for Blanket Purchase Orders

- a) A Red Stamp or a purchase order receiving report shall be used for all orders placed against a blanket purchase order.
- b) Orders against blanket purchase orders can be made by phone, fax, e-mail, other electronic means or in person after the employee has received proper approval. Employee(s) shall identify themselves and provide the following information: supply or service description, part number (if applicable), quantity, required date, point of delivery, and blanket purchase order number (if applicable).
- c) The vendor shall prepare an invoice or receipt showing the above information and provide it to the ordering employee.

### **3.2 COOPERATIVE AGREEMENTS**

A. General

Cooperative procurement is a process by which two or more governmental jurisdictions join together to purchase supplies or services from the same vendor. This form of purchasing has the benefits of reducing administrative costs, eliminating duplication of effort, lowering prices, sharing information and taking advantage of expertise and information that may be available in only one of the jurisdictions. Examples of cooperative agreements can be as simple as two jurisdictions agreeing to jointly fund a road improvement project and as sophisticated as the Mid-America Regional Council's Kansas City Regional Purchasing Cooperative.

B. Authority

- 1. Departments are authorized to participate in, sponsor, conduct or administer a cooperative agreement with one or more other public or non-profit entities as long as the vendor selection practices of the cooperative are in conformance with the intent of the City's Purchasing Manual.

2. Criteria for determining internal or cooperative bid process:
  - a) Nature and quantity of item purchased: An internal bid may be more favorable for larger volume commodities such as ammunition. Economies of scale should be considered, and may tend to favor cooperative bidding when purchasing one or two specialized items.
  - b) Market: if several qualified vendors are in the local area, an internal bid may be more favorable. For items with specialized technical specifications or few local sources, cooperative bidding is likely more efficient.
  - c) Details of the cooperative bid: Understand the bid specifications of a cooperative contract, e.g. transportation fees or other general provisions that may not apply to the Shawnee area.
3. Purchases through cooperative agreements must be approved for payment in accordance with the final approval authority set forth in this manual under Section 1.1 F. Purchasing Authority.

### **3.3 GOVERNMENT CONTRACTS**

#### **A. General**

Other government agencies perform bids on supplies and services similar to the City. Many vendors will extend the same terms and pricing to other governments.

This form of purchasing has the benefits of reducing administrative costs, eliminating duplication of effort, lowering prices, sharing information and taking advantage of expertise and information that may be available in only one of the jurisdictions.

#### **B. Authority**

Department directors are authorized to “piggy-back” on other government contracts in lieu of soliciting bids. Qualified government contracts include MARC, other local governments, State of Kansas and federal pricing as long as the vendor selection practices of the agency are in conformance with the intent of the City’s Purchasing Manual. See section 2.4.C.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: BONDS AND CONTRACT CLAUSES

### CHAPTER NUMBER: 4

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#### 4.1 BID SECURITY

##### A. Requirement for Bid Security

###### 1. Bid Bond or Check (For Bids on amounts over \$50,000)

A certified cashier's check, bid bond, or money order made payable to the City, in the amount of 5% of the bid, may be required of all bidders. The bid bond or check of the successful bidder shall be retained by the City until completion of the work or submittal of a performance bond (if applicable) to ensure the delivery of the supplies and/or service at the specified time and/or the successful completion of the project.

##### B. Performance and Payment Bonds

###### 1. State Statute Required Contract Bond or Security

When a contract is awarded, the following bonds or security shall be delivered to the City in all cases required by Kansas state statute, and if the City Manager deems appropriate on those contracts not required by state statute and shall become binding on the parties upon execution of the contract:

###### a) Performance Bond

A performance bond satisfactory to the City, executed by a surety company authorized to do business in Kansas or otherwise secured in a manner satisfactory to the City for the performance of the work provided for in the contract, in an amount equal to 100% of the price specified in the contract; and

###### b) Payment Bond

A payment bond to the State of Kansas satisfactory to the City, executed by a surety company authorized to do business in Kansas or otherwise secured in a manner satisfactory to the City, for the protection of all persons supplying labor, materials,

equipment or supplies to the contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be in an amount equal to 100% of the price specified in the contract and shall otherwise comply with the requirements of K.S.A. 60-1111.

2. Authority to Require Additional Bonds

Nothing in this Section shall be construed to limit the authority of the City to require other security in addition to the bonds mentioned, or in circumstances other than specified in Subsection 1 of this Section.

3. Suits on Payment Bonds -- Right to Institute

Every person who has furnished labor or material to the contractor or its subcontractors for the work provided in the contract, in respect of which a payment bond is furnished under this Section, shall have the right to sue on the payment bond for any amount unpaid at the time the suit is instituted and to prosecute the action for the amount due the person in the manner prescribed by Article II of Chapter 60 of the Kansas Statutes Annotated.

4. Suits on Payment bonds -- Where and When Brought

Every suit instituted upon a payment bond shall be brought in the District Court of Johnson County, but no such action shall be brought on such bond after six months from completion of the project. The obligee named in the bond need not be joined as a party in any such suit.

## 4.2 CONTRACT CLAUSES AND THEIR ADMINISTRATION

A. Contract Clauses

Contracts for supplies and services shall include clauses addressing, but not limited to:

1. The unilateral right of the City to order changes in the work and changes in the time of performance of the contract;
2. Variations occurring between estimated quantities of work and actual quantities;
3. Suspension of work ordered by the City;

4. Site conditions differing from those indicated in the contract, or ordinarily encountered, except that differing site condition clauses need not be included in negotiated contracts, or when the contractor provides the site or design, or when the parties have otherwise agreed with respect to the risk of differing site conditions;
5. Liquidated damages;
6. Anticipated inflation of costs or prices;
7. Specified justification for delay or nonperformance;
8. Termination of the contract for default;
9. Termination of the contract in whole or in part for the convenience of the City;
10. Early completion incentives; and
11. Provisions related to the Kansas Human Rights Legislation.

B. Modification of Required Clauses

The Finance Director or department director, with the advice and consent of the City Attorney, may vary the contract clauses for inclusion in any particular contract, provided that the circumstances justify such variations and provided that notice of any such material variation be stated in the IFB or RFP.

C. Contracts

Contracts shall be executed in conformance with the purchasing authorities established in Chapter 1.1 F. Purchasing Authority. Original contract documents shall be filed in the Office of the City Clerk.

D. Term of Ongoing Professional Services Contracts

The term of professional services contracts of an ongoing nature, including exercise of extension clauses, shall be determined by the City Manager based on factors such as the length of time the service is needed by the department, the future availability of other qualified providers, and if the fees to perform the services are anticipated to increase or decrease over time.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: CHANGE ORDER LIMITS AND

AUTHORIZATION CHAPTER NUMBER: 5

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### 5.1 CHANGE ORDER INCREASE AND APPROVAL

#### A. Change Order Approval by Governing Body

1. A change order must be approved by the Governing Body if the change:
  - a) Alters the scope of the project;
  - b) Increases over \$50,000 for an original or amended base contract less than \$1,000,000;
  - c) Increases more than 5% for an original or amended base contract between \$1,000,000 and \$3,000,000; or
  - d) Increases more than \$150,000 for an original or amended base contract over \$3,000,000.
  - e) Is the final change order for any capital improvement project.
2. These thresholds are non-cumulative.

#### B. City Manager Change Order Authorization

1. The City Manager is authorized to approve change orders less than the above thresholds listed in 5.1 Change Order Increase and Approval, A. Change Order Approval by Governing Body.
2. The City Manager may exceed the above thresholds when:
  - a) An emergency situation exists as defined in Section 1.4 Emergency Purchases, of this manual; or
  - b) The project or the project schedule would be significantly

negatively impacted by a delay in consideration of the change order.

3. Notification shall be forwarded to the Governing Body if the City Manager authorizes a change order over the above thresholds.

C. Per Unit Change Orders

When a contract originally approved by the Governing Body is based on unit cost (e.g. mill and overlay) a final change order must be presented to the Governing Body at the end of the contract if there is an increase or decrease in the base contract amount.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: FEDERAL REQUIREMENTS AND STATE STATUTES

### CHAPTER NUMBER: 6

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#### 6.1 COMPLIANCE WITH FEDERAL REQUIREMENTS AND STATE STATUTES

##### A. Federal Law and Authorized Regulation Compliance

1. Where a purchase involves the expenditure of federal assistance or contract funds, the department director shall comply with such federal law and authorized regulations which are mandatorily applicable and which are not reflected in this manual. Otherwise, purchases made with grant funds shall be made according to this Purchasing Manual.

##### B. City Purchasing Practices Subordinate to State Statutes

1. Except as exempted by charter ordinance of the Governing Body, the provisions of this manual are subordinate to any Kansas Statutes governing City purchasing practices. In addition to state statutes cited elsewhere in this manual, the following state statutes should be checked for applicability:
  - a) K.S.A. 79-1008 et. seq. - Collection of taxes from non-resident contractors;
  - b) K.S.A. 75-3740a - Contracts for purchases with non-resident bidders;
  - c) K.S.A. 16-113 - Appointment of process agent by non-resident contractor;
  - d) K.S.A. 68-572 - Intergovernmental agreements for road construction and maintenance, county, city and township;
  - e) K.S.A. 12-2904 et. seq. – Provisions required for interlocal agreements by public agencies;
  - f) K.S.A. 12-2908 – Certain agreements between cities, counties, or townships not regarded as interlocal agreements;

- g) K.S.A. 16-1901 et seq. – Provisions required for certain public construction contracts;
- h) K.S.A. 44-1010 et. seq. – Mandatory provisions of the Kansas Act Against Discrimination required for certain agreements; and
- i) K.S.A. 60-1111 – Statutory bond requirements for certain public improvement contracts.

2. The Governing Body, by Charter Ordinance No. 34, has exempted the City from:

- a) K.S.A. 13-1017 – Estimates of cost of improvements, contracts, bids, bond issue, related to the making of public improvements, and requirement to select the lowest responsible bid.

C. Uniform Grant Guidance Provisions

1. Employee conflict of interest: No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-federal entity.
2. Documentation and oversight of federal grant purchases – the City must:
  - a) Document the procurement steps and activities required to be completed, including the basis for the type of procurement, contract type, and contractor selection and price.

- b) Maintain an appropriate level of oversight to ensure that contractors perform in accordance with the terms of their contract.
  - c) Maintain records to sufficiently detail the history of procurement. At a minimum, this should include: the rationale for the method of procurement, selection of the contract type, contract selection or rejection, and basis for the contract price.
  - d) Provide full and open competition. Contractors who assist in drafting specifications for requests for proposals (RFP) must be excluded from competing for those opportunities. In addition, RFP specifications cannot have unreasonable requirements that are meant to limit competition. Also, procurements must be conducted in a manner that prohibits the use of geographical preferences in the evaluation of proposals, except in certain cases where federal law explicitly requires or encourages geographic preference or when contracting for architectural and engineering services, provided that specifying geographic location leaves an appropriate number of qualified firms.
3. Equipment purchased with federal grant dollars
- a) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the Federal award identification number), who holds title, the acquisition date, cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sales price of the property.
  - b) A physical inventory of the property must be taken and the results reconciled with the property records at least once every 2 years.
  - c) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated. Adequate maintenance procedures must be developed to keep the property in good condition.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: DISPOSAL OF SURPLUS PROPERTY

### CHAPTER NUMBER: 7

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#### 7.1 GUIDELINES FOR DISPOSAL OF SURPLUS, ABANDONED OR CONFISCATED PROPERTY

- A. Departments may transfer, sell, exchange, or destroy any surplus, abandoned, or confiscated property without competitive bidding if such property has a value believed to be \$5,000 or less. Such property may be disposed of by negotiated sales to other governmental entities, non-profit organizations, or as-is in the best interest of the City.
  
- B. No property shall be sold without receiving competitive bids if the value is believed to be greater than \$5,000.
  
- C. Departments disposing of surplus property shall work with the Finance Department to collect sales tax on the sale, as appropriate.
  
- D. This manual does not address disposal of real estate due to the complex nature and legal requirements of this type of transaction. Departments should consult the City Manager and City Attorney prior to initiating disposal of real estate.

#### 7.2 METHODS OF DISPOSITION

- A. Methods of Disposition for Surplus, Abandoned, or Confiscated Items
  - 1. Transfer: Transferring the item to another department that has use for the item is the best method of disposition. Both the transferring and receiving departments must update their inventory records, if applicable. As a green practice, whenever feasible the City will repurpose vehicles between departments. When the vehicle has completed its useful life in one department (for example, a Police vehicle) it should be transferred to another department that can extend its useful life rather than acquiring a new vehicle.
  
  - 2. Sale: There are several methods for selling surplus, abandoned, or confiscated items.

- a) Auctions. The City may contract with an auctioning service or auction via on-line internet service to sell items to the highest bidder.
- b) Sealed Bids. The department may determine that items shall be sold at sealed bid sale. Public Notice of the sale is made and solicitations are issued to prospective bidders.
- c) Commercial Markets. The department may determine that items may be offered for sale by consignment to established commercial markets. Candidates for this method of sale include antiques, art and specialized equipment.
- d) Sale of Scrap. Many items that are no longer usable may have a residual value. The department may arrange for the sale of scrap items.
- e) Posted Prices. From time to time, where there is no established market and demand is erratic, an item may be marked with a pre-established price and sold to the public on a first-come basis.
- f) Trade-in. The department may determine that it is advantageous to the City to seek bids on replacement items with the vendors allowing/offering trade allowances. Award may be made in the manner that is most advantageous to the City.
- g) Cannibalization. Disassembling an item to use its components for repair or maintenance of a similar item is authorized only if cannibalization is expected to create greater value than disposal or trade-in of the item.
- h) Donation. Donation of items believed to have a value of more than \$5,000 must be approved by the Governing Body. Donation of items believed to have a value of \$5,000 or less shall be approved by the City Manager.

B. Destruction and/or Disposal

- 1. Surplus property of minimal monetary value may be destroyed or disposed as trash. Care shall be taken to destroy or dispose of items with regard to environmental impact and cost.
- 2. Waste Disposal of Hazardous Materials. There are strict federal and state laws regarding the disposal of hazardous materials. Disposal of hazardous materials shall be directed by the City's Fire Chief. Departments shall contact

the Fire Chief before moving, transferring or selling any hazardous materials.

### **7.3 ALLOCATION OF PROCEEDS**

- A. All proceeds resulting from the sale of surplus, abandoned, or confiscated property shall be deposited in the appropriate fund from the property was purchased. If the original fund cannot be identified, the proceeds will be deposited in the General Fund.

### **7.4 TERMS AND CONDITIONS OF SALE**

- A. Depending on the nature of the items and the method of sale selected, the following terms and conditions shall be used:
  - 1. Inspection. Prospective buyers will be allowed time prior to the sale to inspect items.
  - 2. No Warranty. No warranty or guarantee of any kind is given by the City. All items are offered for sale "as is," "where at," and "without recourse."
  - 3. Removal. The successful bidder will be required at their own risk and expense to remove any items bid upon within the time specified in the bid document. Receipt of each unit must be signed by the purchaser or their duly authorized agent at the time the item is removed. Any item not called for or left behind will be considered as abandoned, and the City has the right to dispose of same in any manner whatsoever.
  - 4. Upset Price. In some instances, minimum prices will be established. In such cases, items will not be sold below that minimum price. The City reserves the right to accept or reject any or all bids.

### **7.5 REPORT OF DISPOSITION**

The Finance Department must be advised of the disposition of all items with a value of \$5,000 or more in order that general capital asset records may be updated.

### **7.6 SALES OR DISPOSITION TO EMPLOYEES**

To avoid the appearance of impropriety, employees of the City may not purchase items unless the sale is to the highest bidder at a public or on-line auction, or by sealed bid after appropriate notification of the sale. Likewise, employees of the City may not

obtain surplus items at no cost except in specific situations approved by the City Manager.

## **7.7 DISPOSAL OF GRANT FUNDED EQUIPMENT OR REAL ESTATE**

When equipment or real estate was purchased using funds from state or federal grant funds, the provisions of the grant must be followed during disposal. It is the disposing department's responsibility to obtain disposition instructions from the Federal awarding agency and assure that grant provisions are followed. If required by the terms of the grant, proceeds from disposal shall be returned to the grant-funding agency.

Sales of federal grant-funded real property must provide competition to the extent practicable and result in the highest possible return. The City must compensate the grantor agency for their interest in the real property, calculated by multiplying the current market value or sale proceeds by the agency's participation in total project costs. If the City retains the property for a use other than intended by the grant, the City must compensate the agency for the federal portion of the current fair market value of the property.

# CITY OF SHAWNEE PURCHASING MANUAL

## CHAPTER TITLE: TERMS AND DEFINITIONS

### CHAPTER NUMBER: 8

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#### 8.1 TERMS AND DEFINITIONS

The words defined in this section shall have the meanings set forth below whenever they appear in this manual:

**Deputy City Manager:** The individual holding the title of Deputy City Manager or assuming the duties of the City Manager in the City Manager's absence.

**Bid:** An offer, as a price, whether for payment or acceptance. A bid can either be an offer to the City by a vendor or a buyer.

**Bidder:** A person or firm responding to a City request for bids.

**Blanket Purchase Order:** A contract outlining the specific price for supplies or services for a specified period of time.

**Change Order:** A written document to make changes to an existing contract and/or purchase order.

**Check Request:** A document that may be used to authorize payment to a vendor when no receipt is available.

**City:** City of Shawnee.

**City Manager:** Chief executive officer of the City.

**Contract:** All types of City agreements, including grants and purchase orders for the purchase or disposal of supplies and services including constructed or manufactured.

**Contractor:** Any person having a contract with the City.

**Cooperative Agreement:** An agreement with another government entity, or a cooperative formed by multiple government entities, that establishes a contract for particular supplies or services for a definite period of time at a set price.

**Department Director:** All department directors or their designees.

**Emergency Purchases:** Purchasing of supplies or services, where the urgency of need does not permit the utilization of normal competitive selection methods.

**Employee:** An individual drawing a salary from the City and any non-compensated individual performing personal services for the City.

**Environmentally Preferable Products:** Products that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product.

**Finance Director:** The individual holding the position of Finance Director, or their designee.

**Governing Body:** The Mayor and City Council members of the City of Shawnee.

**Invitation for Bids:** All documents, whether attached or incorporated by reference, utilized for soliciting bids.

**Life Cycle Cost:** A calculation of the cost of a system or product over its entire life span.

**May:** Denotes the permissive.

**Postconsumer Material:** A finished material which would normally be disposed of as a solid waste, having reached its intended end-use and completed its life cycle as a consumer item, and does not include manufacturing or converting wastes.

**Procurement:** The process of planning purchases in conjunction with the City's budget and work plan, source selection for goods or services, and contract management.

**Professional Services:** Services where technical expertise or knowledge of a specialized field is critical to the performance of that service. Professional services are generally associated with the following disciplines: (a) architect, engineer and land surveying

services; (b) appraisal services; (c) financial, accounting and auditing services; (d) legal services; (e) consulting services; (f) health care services; (g) insurance services; (h) data processing consulting and programming services; (i) testing and inspection services; (j) photographic, art or marketing services; and (k) employment of temporary employees as advisors, lobbyists, etc.

**Proposal:** A written offer or bid containing price and other terms made by a vendor.

**Public Notice:** The placement of a notice in officially designated newspaper(s) of the City.

**Purchasing Card:** A credit card payable from City accounts issued to an employee for the purpose of procuring City related supplies and services.

**Purchase Order:** The paper or electronic document issued for purchases over \$5,000.

**Receiving Report:** The paper or electronic document utilized to confirm receipt of supplies or services and authorize payment to the vendor.

**Recycled Products:** Products manufactured with waste material that has been recovered or diverted from solid waste.

**Red Stamp:** A process which may be utilized to authorize payment of small purchases for which use of a purchase order may be inefficient or impractical.

**Requisition:** The paper or electronic document utilized to request the purchase of supplies or services. A requisition creates a purchase order.

**Request for Proposal (RFP):** All documents, whether attached or incorporated by reference, utilized for soliciting proposals.

**Responsive Bidder:** One who responds to all of the significant requirements outlined in the bid solicitation.

**Responsible Bidder:** A person or firm who has the capability in all respects to perform fully the contract requirements.

**Services:** The furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.

**Shall:** Denotes the imperative.

**Specification:** Any description of the physical or functional characteristics, or of the nature of a supply or service item. It may include a description of any requirement for inspecting, testing, or preparing a supply or service for delivery.

**Statement of Qualifications:** A document submitted to the City by a professional services vendor detailing its abilities and experience to provide a certain service.

**Supplies:** All property, including but not limited to, equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.

**Surplus:** Any supplies, equipment or property no longer having any use to the City. This includes obsolete supplies, scrap materials, and non-expendable supplies that have completed their useful life cycle.

**Vendor:** A seller of supplies or services.